

MOTION BY SUPERVISOR YVONNE B. BURKE

FEBRUARY 12, 2008

Today we are faced with a conundrum, the Los Angeles County Department of Mental Health (DMH), is expected to undergo severe service and budget cuts, while at the same time expecting an impending infusion of millions of new service dollars.

Over the past several years, DMH has faced serious funding challenges, creating the need to enact budget reductions. For Fiscal Year (FY) 2007-08, DMH is facing a deficit currently projected at \$24 million; a deficit caused by a number of factors, including Vehicle License Fees (VLFs) coming in significantly lower than projected and realignment funding remaining flat. Realignment revenue, along with VLFs supports core services and is the base funding for services to clients with no payor source and serves as the local match for federal dollars. There has been virtually no growth in the sales tax realignment funding over the past several years, with VLF experiencing some growth in past years, but has now unexpectedly declined in FY 2007-08.

On the other hand, Los Angeles County along with the 58 other counties are waiting for the full implementation and full disbursement of funds from the 2004 voter approved State Proposition 63- the Mental Health Services Act. To date over \$100 million dollars have been disbursed, with millions more impending in within the next two years.

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MOTION

MOLINA	_____
YAROSLAVSKY	_____
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ANTONOVICH	_____
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Thus, this has created a situation where there have been simultaneous reductions in core mental health programs with concurrent growth in other programs – primarily due to MHSA.

DMH - both directly and through its contract agencies - delivers critically needed mental health services to the children, adolescents, adults and older adults in this County. It is essential that all efforts be made to ensure that - at this time of budget shortfalls - new funding available through the MHSA be used as judiciously and flexibly as possible.

I, THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- Direct the Chief Executive Officer (CEO) and the DMH to assist the community agencies in transforming their programs to the degree appropriate and possible to utilize MHSA to mitigate the impact of the current year budget deficit on services to clients: and
- Direct the CEO and DMH to work with any other stakeholders interested in promoting advocacy to the State of California to allow for the maximum appropriate flexibility in the use of MHSA to mitigate impact to current and potential future services. For example, pursue such actions including but not limited to, advocating to the State to allow counties to use one-time MHSA funds to be allocated to County Mental Health reserves (i.e. special fund) that will have the flexibility, and can be used for future contingencies.

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